

WHAT IF I CAN'T PAY MY BILL?

1. **Contact the utility , and set up a payment arrangement.**
2. **Contact local social service agencies to see if you qualify for assistance. For a complete listing contact the Indiana Family and Social Services Administration at 1-800-622-4973, or reach them on line at www.IN.gov/fssa/families/housing/cap.html.**
3. **Ask the utility about the Budget Bill program which spreads out the cost of heating over the entire year.**
4. **A customer who is receiving— or who is eligible and has applied for EAP funds may not have their gas disconnected between December 1st and March 15th.**

The IURC's Consumer Affairs Division is a liaison between the Customer and the Company.

If you have a complaint you can contact the Consumer Affair Division at 1-800-851-4268.

Or, you can submit a complaint online at www.IN.gov/iurc



INDIANA UTILITY REGULATORY
COMMISSION

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INDIANA UTILITY REGULATORY
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NATURAL GAS AND THE PRICE YOU PAY





Terms you should know:

SUPPLY: Natural Gas is drawn from the earth at the “well-head”. Gas prices are not regulated at the well-head. It is then injected into pipelines every day and transported across the country. The price of transportation on the Pipeline is regulated by FERC.

TRANSMISSION COSTS: The cost to move the gas by pipeline from where it is produced to the citygate of the customer's local gas company.

TRANSPORTATION/DISTRIBUTION COSTS: The cost to bring the gas from your local gas company's citygate to your house.

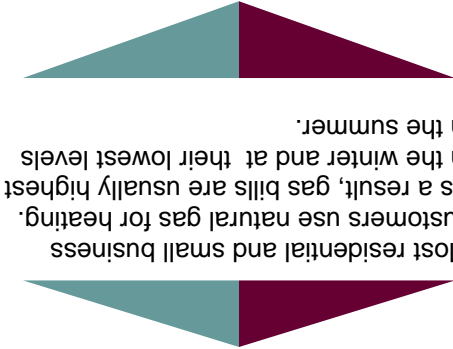
BASE RATES: The rates set by the IURC which allows gas companies to recover the cost of service to customers. These rates are reviewed and approved by the Commission.

GAS COST ADJUSTMENT: The cost of the gas over and above that reflected in the base rate. The local gas company passes the commodity cost to the residential consumer without any additional markup.

TERM: A unit of heat equal to 100,000 British thermal units, approximately 1ccf.
INDIANA UTILITY REGULATORY COMMISSION

YOUR BILL DEPENDS ON:

- 1. How much gas you use
- 2. How much the company paid for the gas you use.



Most residential and small business customers use natural gas for heating. As a result, gas bills are usually highest in the winter and at their lowest levels in the summer.

THE ROLE OF THE INDIANA UTILITY REGULATORY COMMISSION:

The largest portion of your natural gas bill is for the purchase of the supply of gas. Transportation and distribution costs make up the rest. The Indiana Utility Regulatory Commission reviews the gas purchasing practices and prices of the local distribution companies who purchase the gas on behalf of their customers.



Natural Gas Prices



The price of gas is determined by the supply and demand in the natural gas market.

In general, companies do not make a profit on the purchase of the supply of gas. Companies are allowed to pass through the price they pay to purchase the gas, after that price is determined to be prudent by the IURC. For most companies this is done on a quarterly basis.

NIPSCO operates under an Alternative Regulatory Plan. It's gas costs are passed through on a monthly basis, subject to an annual review by the IURC. This means that NIPSCO customers feel the impact of rising gas prices first, and are also the first to feel relief when prices fall. Unlike other gas companies, NIPSCO has an extra incentive to purchase gas at the lowest reasonable cost. NIPSCO can make a profit when the company buys gas below market price. However, the savings is split between NIPSCO and its customers. In the NIPSCO operating territory, there are competitive suppliers; the IURC does not review the gas purchasing practices of those competitors.